



Claims
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Janet Thomas
Marine Claims Specialist

May 24, 2006

**Via Certified Mail/Return Receipt Requested
and Regular Mail**

Mr. Mark DeGeorge
40 Park Ave. #9J
New York, New York 10016

**NOTICE OF
DECLINATION
OF COVERAGE**

Re: Carrier: ACE American Insurance Company
Policy: Y08066358
Claim #: 796S166828-2
Insured: Mark DeGeorge
Claimant: Renee Holstein
DOL: 7/4/05

Dear Mr. DeGeorge:

We have completed our investigation of your claim involving the injury to Ms. Renee Holstein on July 4, 2005. Based on the terms and conditions of the applicable policy of marine insurance issued by ACE American Insurance Company (the "Company"), please be advised that there is no coverage for the claim.

THE CLAIM

On *Monday, July 4, 2005*, Ms. Renee Holstein, while a guest aboard your boat, injured herself when she dove into water at the back of the boat. She apparently sustained internal injuries and was taken by you to the emergency room of Huntington hospital where she was admitted that same day, and remained hospitalized for about eight (8) days.

You did not notify the Company of the accident for approximately 7 months. The claimant's attorney contacted the Company on *September 21, 2005*, by telephone and on *December 5, 2005*, by correspondence. The Company contacted you on *February 1, 2006*, at which time, you confirmed the occurrence. On *February 3, 2006*, the Company issued a letter to you reserving its rights and requesting an examination under oath in furtherance of its investigation. The examination under oath was conducted on *March 21, 2006*, and the transcript of the examination was signed and returned by you on or about *April 26, 2006*.



THE POLICY

The Policy issued by ACE effective from June 23, 2005 to June 23, 2006 included the following relevant provisions:

PART B: LIABILITY COVERAGE

PERILS INSURED AGAINST: *We will pay sums that you or a covered person become legally obligated to pay as a result of ownership, operation or maintenance of your insured vessel because of:*

* * *

c. bodily injury or loss of life;

* * *

GENERAL PROVISIONS IN THE EVENT OF LOSS

* * *

NOTICE OF LOSS: *You must report in writing to us, or our authorized agent, as soon as possible after the occurrence of any accident, loss, damage or expense that may be covered under this policy. This notice should state when, where and how the event occurred, and should include the names and addresses of any witnesses:*

* * *

If you do not provide the notice to us as required by this section as soon as possible, any claim for such loss under this policy will be voided.

* * *

ATLANTIC COAST NAVIGATION WARRANTY

Warranted confined to Atlantic coastwise and inland tributary waters of the United States and Canada between St. John, New Brunswick and Morehead City, North Carolina.



write or visit the Consumer Services Bureau, New York State Insurance Department, at: 25 Beaver Street, New York, New York 10004; Once Commerce Plaza, Albany, New York 11257; 200 Old Country Road, Suite 340, Mineola, New York 11501; or Walter J. Mahoney Office Building, 65 Court Street, Buffalo, New York 14202.

Very truly yours,

Janet Thomas
Marine Claims Specialist

JT/jt